

# Legislative Summary 2003

## Charter School Issues

### **SB 183: Sen. Reeves & Rep. Plant**

#### *Preschool Through 12<sup>th</sup> Grade Funding and Appropriation*

Eliminates textbook funding for FY 2002-03.

Charter School Capital Construction Program.

- 1) Requires charter schools to submit documentation concerning expenditures made by January 31, 2003 from moneys received in FY 2001-02. Any moneys received by a charter school not expended by January 31, 2003 shall be rescinded to the State Education Fund.
- 2) By April 11, 2003 the charter school must submit to the Colorado Department of Education (CDE) a list of expenditures, encumbrances, or obligations as of January 31, 2003 planned by the charter school from any anticipated moneys to be received in FY 2002-03. The charter school shall submit copies of invoices, contracts, or other appropriate documentation of the amounts and purposes of expenditures to CDE by August 1, 2003. Any unused moneys would revert to the State Education Fund.

### **SB 248: Sen. Anderson & Rep. King**

#### *Public School Finance Act*

Charter School Funding, C.R.S. 22-30.5-112(2)(a.5)

- 1) Online charter school students will be funded at 95% of the minimum funding amount for school districts with more than 500 pupils and at 85% for school districts with 500 or fewer pupils.
- 2) Central Administrative Costs. School districts can retain a portion of the minimum funding per pupil not to exceed 5% for districts over 500 students or 15% for districts under 500 students from the following programs identified in the Chart of Accounts:
  - a. Support services – general administration (2300) all object codes,
  - b. Support services – business (2500) only object codes 0100 and 0200 used with job codes 100-199, **plus**
  - c. Support services – central (2800) only object codes 0100 and 0200 used with job codes 100-199.

Capital Construction for Charter Schools, C.R.S. 22-54-124

- 1) Reduces the amount of funding available for Charter School Capital Construction from \$8,040,547 to \$5,000,000 from the State Education Fund.

- 2) Changes the method of determining which charter schools are eligible to receive capital construction funding. For budget years commencing on or after July 1, 2003, “qualified charter school” means:
  - a. A charter school that is not operating in a school district facility and that has capital construction costs; or
  - b. A charter school that is operating in a school district facility and that has capital construction costs.
- 3) For budget years commencing on or after July 1, 2003, “qualified charter school” does not include:
  - a. A charter school that is operating in a school district facility and that does not have capital construction costs;
  - b. A charter school that does not have capital construction costs;
  - c. A charter school that is operating or will operate in the next budget year in a facility that is listed on the state inventory of real property and improvements and other capital assets maintained by the Department of Personnel.
  - d. For the purposes of any certification and funding, all pupils enrolled in a “qualified charter school” shall be counted as one-half of one pupil.

**SB 256: Sen. Windels & Rep. Briggs**

*Siting of Public Schools*

Left on House calendar; bill dead.

**HB 1021: Rep. King & Sen. Arnold**

*Charter School Capital Construction Funds*

Direct Payment of Charter School Bonds by the State Treasurer and School Districts, C.R.S. 22-30.5-406

- 1) The state covenants with bond purchasers not to repeal, revoke, or rescind provisions of this section so as to limit or impair the rights of the bond holders.
- 2) States that the legislature may continue to amend the statute, including discontinuing charter school capital construction funding, if it desires.

State Charter School Debt Reserve Fund, C.R.S. 22-30.5-407

- 1) Clarifies that the Charter School Debt Reserve Fund is only for qualified charter schools.
- 2) Charter schools participating in the Debt Reserve Fund are obligated to pay a portion of their savings into the fund and may be required to pay a fee to the State Treasurer for administration of the Fund.
- 3) If a charter school defaults and there is not enough money in the Fund to cover the defaulted amount, the charter school(s) in default will be allocated funds on a pro rata basis.
- 4) Only charter schools issued bonds by the Educational and Cultural Facilities Authority may participate in the Debt Reserve Fund.

Replenishment of Qualified Charter School Debt Service Reserve Fund, C.R.S. 22-30.5-408

- 1) Modifies the definition of a “qualified charter school” to a charter school that has a stand-alone credit assessment or rating of at least investment grade by a nationally recognized rating agency.

**SJR 036: Sen. Arnold & Rep. King**

Honoring the 10-Year Anniversary of the Charter Schools Act